



DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND MATERIEL
MANAGEMENT
WASHINGTON, DC 20420

IL 049-03-1
November 20, 2002

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

TO: Under Secretaries for Health, Benefits, and Memorial Affairs; Chief Facilities Management Officer, Office of Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Distribution Center, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and the VA Health Administration Center; and the Executive Director and Chief Operating Officer, VA National Acquisition Center

ATTN: Head of the Contracting Activity
All VA Contracting Officers

SUBJECT: Class Deviation from VAAR 808.001, Priorities for Use of Government Supply Sources

1. The Deputy Secretary has approved a class deviation from Department of Veterans Affairs Acquisition Regulation (VAAR) 808.001, Priorities for Use of Government Supply Sources. A copy of the class deviation (attachment 1) and a copy of the Deputy Secretary's approval of the class deviation (attachment 2) are provided with this Information Letter (IL). This class deviation has been issued in accordance with recommendation number 1.1.1 in VA's Procurement Reform Task Force Report of May 2002.

2. Please direct any questions regarding this information letter to Cathy Dailey, Acquisition Policy Division (049A5A), at (202) 273-8774.

/s/David S. Derr
Associate Deputy Assistant Secretary
for Acquisitions

Attachments

Distribution: RPC 7029

Department of Veterans Affairs

Memorandum

Date: September 6, 2002

From: Deputy Assistant Secretary for Acquisition and Materiel Management (049)

Subj: Class Deviation from VAAR 808.001, Priorities for Use of Government Supply Sources

To: Principal Deputy Assistant Secretary for Management (004)

1. In accordance with the Veterans Administration Acquisition Regulation (VAAR) 801.404, Class Deviations, your approval is requested to deviate from VAAR 808.001, Priorities for Use of Government Supply Sources. Specifically, a class deviation is requested for (a) (6) VA decentralized contracts, (7) Mandatory Federal Supply Schedule contracts, and (8) Optional use Federal Supply Schedule contracts.
2. This deviation would provide the best opportunity to achieve optimal pricing and other terms for VA and other Government agencies.
3. The contract hierarchy, as listed in the Procurement Reform Task Force Report, will be as follows.
 - a. "Tier One
 - National committed use contracts.
 - VA Federal Supply Schedule (FSS) Groups 65 and 66 for health care supplies in the following order of priority.
 - Nationally awarded Blanket Purchase Agreements issued against FSS contracts (by the NAC).
 - Multi-VISN, VISN, or locally awarded BPAs issued against FSS contracts.
 - FSS purchases."
 - b. "Tier Two
 - VISN or regionally awarded contracts for items without national or FSS contracts.
 - Locally awarded contracts for items without national or FSS contracts."

2

Principal Deputy Assistant Secretary for Management (004)

Principal Deputy Assistant Secretary for Management (004)

c. "Tier Three

- Open-market purchases."

4. This request is made to improve the Veterans Affairs acquisition system to achieve optimal results by identifying medical supply items available on national and FSS contracts. We recommend your approval to deviate from the requirements of VAAR 808.001.

5. Your favorable consideration of this request is appreciated.

/s/Gary J. Krump

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Department of Veterans Affairs

Memorandum

Date: October 7, 2002

From: Principal Deputy Assistant Secretary for Management (004)

Subj: Class Deviation from VAAR 808.001, Priorities for Use of Government Supply Sources

To: Deputy Secretary (001)

1. In accordance with the VA Acquisition Regulation (VAAR) 801.404, Class Deviations, the Deputy Assistant Secretary for Acquisition and Materiel Management has concluded that there is a need for a class deviation to VAAR 808.001, Priorities for Use of Government Supply Sources. The need is based on the information provided in the attached memorandum. I support that conclusion and recommend your approval of a class deviation.

2. Approval of this deviation would implement Procurement Reform Task Force recommendation 1.1.1, Establish a contract hierarchy which mandates VA use of VA Federal Supply Schedules (FSS) Groups 65 and 66. This class deviation will mandate the use of VA negotiated contracts for FSS Group 65, Medical, dental and veterinary equipment and supplies and Group 66, Instruments and laboratory equipment. The use of VA FSS will allow the Department to leverage its aggregate buying power of health care items and improve VA's ability to effectively manage acquisition program resources.

3. If you have any questions, please contact me or have a member of your staff contact Ms. Cathy I. Collins at 273-8774.

/s/D. Mark Catlett

Attachment

APPROVED: /s/Leo S. McKay, Jr. October 9, 2002

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